1947-48

THE SENATE OF CANADA

PROCEEDINGS

OF THE

STANDING COMMITTEE

ON

Canadian Trade Relations

To whom was referred the subject matter of the General Agreement on Tariffs and Trade, including the Protocol of Provisional Application thereof, annexed to the Final Act of the Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment held at Geneva from April 10 to October 30, 1947, together with the complementary agreements of October 30, 1947, between Canada and the United States of America and between Canada and the United Kingdom.

No. 5

TUESDAY, MARCH 16, 1948

CHAIRMAN

The Honourable W. D. Euler, P.C.

WITNESSES:

Mr. H. B. McKinnon, Chairman, Tariff Board;
Mr. J. J. Deutsch, Director of Economic Relations, Department of Finance;
Mr. H. R. Kemp, Director of Commercial Relations Division, Department of Trade and Commerce.
Dr. A. E. Richards, Ottawa, Ontario, Economist, Department of Agriculture.
Mr. G. C. Cowper, Chief of Foreign Tariff Section, Department of Trade and Commerce.

APPENDIX "A"

Statement showing imports into the United States from Canada of Principal Dutiable Items on which concessions were obtained under the General Agreement on Tariffs ad Trade calender years 1939 and 1946 showing rates of duty. (Statement includes only items valued at $50,000 or more in either year.)

OTTAWA
EDMOND CLOUTIER, C.M.G., B.A., L.Ph.,
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1948

ORDER OF REFERENCE

(Extract from the Minutes of the Proceeding of the Senate, December 15, 1947.)

The Honourable Senator Robertson, seconded by the Honourable Senator Copp moved—That the Standing Committee of the Senate on Canadian Trade Relations be directed to inquire into and report upon the subject matter of the General Agreement on Tariffs and Trade, including the Protocol of Provisional Application thereof, annexed to the Final Act of the Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment held at Geneva from April 10 to October 30, 1947, together with the complementary agreements of October 30, 1947, between Canada and the United States of America and between Canada and the United Kingdom.

That the said Committee be authorized to send for persons, papers and records.

After Debate, and—

The question being put on the said motion, it was—

Resolved in the affirmative.

L. C. MOYER,
Clerk of the Senate.

MEMBERS OF THE STANDING COMMITTEE ON CANADIAN TRADE RELATIONS

The Honourable W. D. Euler, P.C., Chairman

The Honourable Senators

Ballantyne,	Dessureault,	McLean,
Beaubien *(Montarville)*,	Duffus,	Moraud,
Bishop,	Euler,	Nicol,
Blais,	Gouin,	Paterson,
Buchanan,	Haig,	Pirie,
Burchill,	Howard,	Riley,
Calder,	Hushion,	Robertson,
Campbell,	Jones,	Turgeon,
Crerar,	Kinley,	Vaillancourt,
Daigle,	Macdonald *(Cardigan)*,	White—(34).
Davis,	MacLennan,	
Dennis,	McKeen,	

6817—1½

MINUTES OF PROCEEDINGS

TUESDAY, 16th March, 1948.

Pursuant to adjournment and notice the Standing Committee on Canadian Trade Relations met this day at 10.30 a.m.

Present: The Honourable Senators Blais, Buchanan, Burchill, Campbell, Davies, Duffus, Gouin, Howard, Jones, Macdonald (*Cardigan*), MacLennan, McKeen, McLean, Paterson, Pirie, Robertson, Vaillancourt and White.—18.

In the absence of the Chairman the Honourable Senator Campbell was elected Acting Chairman.

The official reporters of the Senate were in attendance.

The Committee resumed consideration of the subject matter of the General Agreement on Tariffs and Trade, including the Protocol of Provisional Application thereof, annexed to the Final Act of the Second Session of the Preparatory Committee of the United Nations Conference on Trade and Employment held at Geneva from April 10 to October 30, 1947, together with the complementary agreements of October 30, 1947, between Canada and the United States of America and between Canada and the United Kingdom.

Mr. H. B. McKinnon, Chairman, Tariff Board, was again heard and questioned.

Mr. H. R. Kemp, Director of Commercial Relations Division, Department of Trade and Commerce, was again heard and questioned.

Mr. J. J. Deutsch, Director of Economic Relations, Department of Finance, was again heard and questioned.

Dr. A. E. Richards, Ottawa, Ontario, Economist, Department of Agriculture, was heard with respect to the regulations in connection with the exportation of milk and cream from Canada to the United States.

Mr. G. C. Cowper, Chief of Foreign Tariff Section, Department of Trade and Commerce, was heard and questioned.

Mr. Kemp filed statement showing Imports into the United States from Canada of Principal Dutiable Items on which Concessions were Obtained under the General Agreement on Tariffs and Trade Calendar Years 1939 and 1946 Showing Rates of Duty. (Statement includes only items valued at $50,000 or more in either year.), which was ordered to be included in the record. (See Appendix "A".)

At 12.10 p.m., the Committee adjourned to the call of the Chairman.

Attest.

H. ARMSTRONG,
Clerk of the Committee.

MINUTES OF EVIDENCE

THE SENATE,

TUESDAY, 16th March, 1948.

The Standing Committee on Canadian Trade Relations resumed this day at 10.30 a.m.

Hon. Mr. ROBERTSON: Honourable senators, in the temporary absence of Senator Euler, I move that Senator Campbell occupy the Chair.

The motion was carried.

Hon. Mr. CAMPBELL in the Chair.

Hon. Mr. ROBERTSON: Honourable senators will remember that at our last meeting it was suggested that today we should hear Mr. McKinnon, Mr. Kemp and Mr. Deutsch on the concessions that Canada made in the Geneva trade agreements. Of course, any senator will be free to ask any questions that may occur to him on the other point, as to what Canada received. While this may be the final meeting of the committee, I think that the committee should perhaps not report until the Chairman returns, which will probably be within the next few days. There is no great rush about the matter, but I did not want to postpone this meeting of the committee, because Mr. McKinnon is a very busy man and there are a great many demands on his time. I had made this appointment with him some time ago and therefore thought it was advisable to keep it. I think the Chairman will understand.

The ACTING CHAIRMAN: Honourable senators, the main purpose of this meeting is to go through the schedules; the witnesses are here, particularly Mr. McKinnon, to answer any questions that the members may care to ask with respect to changes in the tariff of any particular item. I do not suppose it is desirable to go through the whole schedules, item by item, because that would take a long time. If honourable senators now care to direct questions to Mr. McKinnon, he is prepared to answer them.

Hon. Mr. ROBERTSON: May I say that I have a point I should like to bring up, and it does not matter to me whether I do it at this time or later on. I should like to revert to one or two points in regard to the concessions we secured from the United States.

The ACTING CHAIRMAN: You may proceed with it now.

Hon. Mr. ROBERTSON: Since we last met I have had a deputation from the dairy industry people to see me on the question which is now before the house. It was drawn to my attention that while the Geneva Trade Agreements extended very considerable benefits to all or most of the branches of agriculture in Canada, there were very little concessions made to the dairy industry.

I should like to ask Mr. McKinnon if that situation was as a result of the reluctance on the part of the United States authorities to grant us concessions, or was it that no particular effort was made on our part? Let me illustrate my point.

Prior to 1930 there was a growing and lucrative business, throughout the Eastern Townships and Ontario, from selling fluid milk and cream in the United States. It began to increase about 1922 or 1923, and went up steadily until 1927. There was a shipment of 21 million pounds of fat equivalent in fresh milk and fresh cream, and I am advised that whole sections of the Eastern Townships

and Ontario were not in butter production at all, but depended entirely on this lucrative market for milk and cream. In 1927, I understand, there was a change in legislation in the United States requiring most stringent inspection regulations in regard to milk and cream. It was at first required that every farm, and even every cow, be inspected by American inspectors.

Hon. Mr. HOWARD: That is right.

Hon. Mr. ROBERTSON: Subsequently that was changed, and I believe certificates by Canadian inspectors were accepted. But immediately after those restrictions were put on the sale of fresh milk and cream started to drop. In 1928 the market stood at 13 million pounds, and in 1929 it was down to 10 million. In 1930 the Smoot-Hawley tariff came on, placing an almost prohibitive tariff on those products, and in two or three years time the market had disappeared entirely.

I asked the representatives of the dairy industry if they had made any representations to Mr. McKinnon, seeking redress in the American market. The reply I received was that they did not know whether that had been done, but, in any event, the government would not let them ship their cream; in other words, they could not ship cream to the United States today over the tariff and make money. That of course is a different thing, and it is a temporary arrangement. I understand the cattle people, for instance, have gotten reductions in quotas and tariffs for their industry. At the moment that is of no immediate advantage because of our prohibitory export regulations, but I was referring to the long term view.

I should like to know from Mr. McKinnon whether he made any representations about that industry, and what he thinks is the possibility of restrictions being removed. I am not referring to the temporary export permit regulations, but I am talking about the attitude of the American people.

Mr. MCKINNON: I should like to answer first, Mr. Chairman, the Senator's question in general terms, and then refer it to Mr. Kemp of Trade and Commerce, because he is the one responsible at Geneva for pressing demands on any particular export commodity, and for deciding within reason how far he should press, and when he had pressed the point to the greatest possible advantage.

We had of course negotiations with the United States for further concessions on both milk and cream. The review you have given forms a background for any general remarks I might make. You illustrated that before these restrictions in one form and another, were imposed there was a substantial and lucrative export of both milk and cream, particularly from Ontario and Quebec to the United States market. It was largely because of our recollection of the magnitude of the trade in those days that we did press at Geneva for still further concessions, in spite of the fact that at the present time there is no movement of any consequence. Now, as you know, Mr. Chairman, we got no enlargement of the quota on either the milk or the cream.

Hon. Mr. ROBERTSON: The milk quota is what, now?

Mr. KEMP: Milk is 3,000,000 gallons and cream is one and a half million gallons.

Mr. MCKINNON: We did not press for any larger quota on either one, because of the very facts that Senator Robertson has cited. The trade has fallen to very little, in the face of very definite restrictions. We did, however, press for a further reduction in the rate of duty on both, because we have some hope that under the charter it will not be possible longer for these restrictions on so-called sanitary grounds to be maintained as an invisible protection, if, in fact, they are that. Therefore, relying on the general terms of the charter as regards the restrictions Mr. Kemp concentrated his fire on the two rates of duty. He got a further reduction on both rates of duty. In fact, if I remember correctly, Mr. Kemp, the rate on the milk is now lower per gallon than it was at the time of the large trade to which Senator Robertson referred.

Hon. Mr. HOWARD: Give us the rate as it was at that time, and then what it is now.

Mr. McKINNON: With these general observations, Senator Howard, I would like now to ask Mr. Kemp to carry on the detail, because it was his problem, and his success to the extent we got reductions.

The ACTING CHAIRMAN: Will you proceed, Mr. Kemp?

Mr. KEMP: We will give you the exact rates of duty, sir, beginning in 1922. In 1922, under the tariff at that time, the rate of duty on milk was two and a half cents a gallon, and on cream was 20 cents a gallon. In the 1929 tariff revision both of these rates remained the same—two and a half cents a gallon and 20 cents a gallon respectively. In 1930 the Hawley-Smoot tariff raised the rate to six and a half cents a gallon on milk and $56\frac{6}{10}$ cents a gallon on cream. 1930 is the year in which the export into the United States began to go down very seriously. The new tariff went into effect, as I recollect, on the 1st of July of that year, so that it would not begin to affect the imports till the second half of the year. In 1939, under the trade agreement made with the United States in that year, both of these rates were cut in half. The rate on milk was reduced to three and one-quarter cents a gallon, and the rate on cream was reduced to $28\frac{3}{10}$ cents a gallon. These rates continued in force until Geneva, at which time the rate on milk was reduced to 2 cents a gallon, and the rate on cream was reduced to 20 cents a gallon. Thus, the reduction in the rate of duty on milk made at Geneva, although it was not quite a half, was well over a third. It was pretty close to the maximum that it was within their power to make. The rate of duty on cream came down from $28\frac{3}{10}$ cents to 20 cents a gallon, a reduction of about one-third.

Hon. Mr. ROBERTSON: Was the quota changed?

Mr. KEMP: The quota remained the same. Under the 1939 agreement the quota was 3,000,000 gallons of milk and one and a half million gallons of cream; and these two quotas remained the same following the negotiations at Geneva.

Hon. Mr. DAVIES: Then they are practically back to where they were prior to 1929, are they, Mr. Kemp?

Mr. KEMP: The rate on milk is now lower than it was before the Hawley-Smoot tariff, and the rate on cream is the same as in the period 1922-1930.

Hon. Mr. ROBERTSON: My advice is that in 1927 there were 4,495,000 gallons of cream shipped to the United States, and that the quota put on under the Hawley-Smoot tariff is one and a half million gallons and has not been enlarged.

Mr. KEMP: That is right.

Hon. Mr. ROBERTSON: The milk quota put on under the Hawley-Smoot tariff is three million gallons. Our shipments in 1927 were almost five million gallons. The quota has not been changed but the duties have been reduced?

Mr. KEMP: That is right.

Hon. Mr. BURCHILL: What quantity is going over now?

Mr. KEMP: At the present time, sir, the movement is almost imperceptible. In 1946 the imports of milk into the United States from all countries were less than five hundred gallons, and there is no trace at all of any cream going in.

Hon. Mr. BURCHILL: Is that due to duty restrictions or to pure milk regulations?

Mr. KEMP: We think it is due to sanitary regulations such as those of New York State, sir. Those regulations provide that the only fluid milk that can be sold in the State of New York is milk that has been produced on farms inspected and approved by the state authorities, and those authorities have let it be known that they will not send their inspectors outside the boundaries of

the state. Therefore, no matter how sanitary a Canadian farm might be, so long as that state arrangement continues in force we have no chance of exporting our product to New York State. And so far as we know, the federal authorities in the United States do not feel it is within their power to change or overrule that state regulation.

Hon. A. L. BEAUBIEN: When was that regulation put into force?

Mr. KEMP: I have not the exact date, sir, but it was early in the thirties. The Hawley-Smoot tariff became effective July 1, 1930, and then the importation of milk and cream into the United States fell off very substantially. Soon after that the sanitary regulations were tightened.

Hon. Mr. HUGESSEN: Is that regulation enforced against other states as well?

Mr. KEMP: Yes.

Hon. Mr. HUGESSEN: So that all the milk and cream sold in New York has to be produced in New York State?

Mr. KEMP: That is my understanding.

Mr. MCKINNON: I think there is a slight qualification of that. The production is inspected in the New York State milk shed, and that is not necessarily the state area.

Hon. Mr. BLAIS: I suppose this applies to Minnesota and Dakota and all other states along the border?

Mr. KEMP: They all have their own regulations, sir. I mentioned New York State because that was a principal market for Canadian milk and cream before the Hawley-Smoot tariff.

Hon. Mr. ROBERTSON: Is there any possibility that the invisible protection which has been extended by the United States in one way and another might affect the arrangements that were supposed to be made under the charter, or has the federal government in the United States got authority to see that the agreements are lived up to?

Mr. DEUTSCH: One of the difficulties is that, as Mr. Kemp has pointed out, these sanitary regulations are imposed by New York State and the federal government makes undertakings with respect only to its own field. In the charter there is a general undertaking that the federal government will use its best offices to try to get the states to live up to the spirit of this agreement, but that is only a matter of persuasion. The federal government would run into difficulty if it interfered in matters which are properly within the authority of the state.

Hon. Mr. MCKEEN: You might have a rather poor case if you asked the United States government to interfere in this matter, if the regulations are imposed against every other state in the union.

Mr. DEUTSCH: We could, for instance, say to the United States government that we protest against these milk regulations as we consider them to be really an indirect device for protection, and the United States government would then be obliged to approach New York State and try to persuade them to relax the regulations. But whether or not the federal government could persuade the state government to relax its regulations, remains to be seen.

Hon. Mr. DAVIES: The State of New York is on pretty strong ground, is it not, when it places its regulations on an inspection and sanitary basis?

Mr. DEUTSCH: Yes, senator. I think, however, that sanitary regulations can sometimes be used as an indirect device for protection. In this case, as Mr. Kemp has explained, New York State has imposed certain sanitary regula-

tions, but will not send its inspectors up here to make inspections. Therefore even if a farmer up here was willing to comply in every way with the New York State regulations he still would not benefit thereby.

Hon. Mr. PIRIE: Then it would not make any difference if the duty were taken off milk and cream entirely?

Mr. DEUTSCH: Not as long as these sanitary regulations remain in force.

Hon Mr. ROBERTSON: Honourable senators will realize that at the moment the fact that no cream or milk is being shipped from here to the United States is not due to the American tariff or to quotas or any state regulations, because the export of products of the dairy industry, in common with those of all other agricultural industries, is prohibited by the Canadian government. Dr. Derby, Chief of the Dairy Products Marketing and Merchandising, Department of Agriculture, told me he thought there was a disposition on the part of authorities in the United States to be more willing to accept in future the certificates of Canadian sanitary inspectors. I do not know whether he meant that there was this disposition on the part of the federal or of the state authorities, nor do I know whether he was referring to inspections by our federal or provincial inspectors. I have a note that Dr. Richards, Economist, of the Department of Agriculture, is present and could speak on this, if honourable members so desire.

Hon. Mr. BURCHILL: I think we should hear from Dr. Richards.

The ACTING CHAIRMAN: Dr. Richards, is there any statement that you would care to make?

Dr. A. E. RICHARDS, Economist, Department of Agriculture: Mr. Chairman, I have not much to add to what has already been given to the committee. I am not a dairy specialist, but this morning I did have a chance for a brief discussion with Mr. Singleton, Chief of the Dairy Products Division in our department. He said that before the Hawley-Smoot tariff became effective there was a working arrangement between United States authorities and our Health of Animals Branch whereby certificates of Health of Animals Inspectors in eastern Canada were accepted by the New York State authorities. He felt that it was the Hawley-Smoot tariff that really ended our exports. But I understand that since then inspection requirements in the United States have become more stringent, but they are directed as much against western states as against eastern Canada, because of course New York State used to draw its milk supply from as far west as Wisconsin.

Hon. Mr. ROBERTSON: Was the dairyman right who said to me that, regardless of the tariff, he could sell his milk in the United States today if it were not for the Canadian government's prohibition against export?

Dr. RICHARDS: Yes, I should say he is right on that. The price paid for fluid milk in the New York milk shed today—I am quoting from memory—is around $5 per hundredweight, whereas our price just above the border and in the Eastern Townships is $3.50. So a dairyman in those regions could pay the transportation charges and the duty and still compete in the New York milk shed.

Hon. Mr. ROBERTSON: If there were no sanitary restrictions?

Dr. RICHARDS: If there were no restrictions on exports and no sanitary regulations.

Hon. Mr. HUGESSEN: The Boston market was pretty important, was it not? Is that part of the New York milk shed?

Dr. RICHARDS: That was, I believe, a more important market for fluid milk than the New York market.

Hon. Mr. ROBERTSON: It was the Boston market that this dairyman was talking about.

Hon. Mr. PATERSON: No matter what agreements were made at Geneva, they can be upset by these sanitary regulations, can they?

Mr. DEUTSCH: I think we have a pretty good case in endeavouring to prevent these regulations being used as an indirect form of protection. It would be quite appropriate for us to take this matter up with the United States government on the basis of the new agreements, and I think that is one thing we might do as soon as the opportunity arises. At the moment, of course, exports are prohibited in Canada.

Mr. MCKINNON: I think it would be of interest to state to the committee that we did in fact get concessions on fifteen dairy products in the United States tariff. At the moment we are talking about only two products. The reason we pressed for a greater reduction in the duty on these two was that we had in mind the hope to which Dr. Richards has referred, that there might again be developed a working arrangement whereby our milk and cream could flow across the border. As Mr. Kemp says, we did get the duty on cream down to the same point as it was at the time of the biggest trade, and the duty on milk to a lower duty than at the time of the biggest trade.

The ACTING CHAIRMAN: There is not the same inspection restriction against other dairy products as against milk?

Mr. MCKINNON: No, Mr. Chairman, that is peculiar to milk and cream.

Hon. Mr. MCLEAN: But similar regulations could be applied against other products, and the entry of fish and a whole lot of other foodstuffs into the United States could be prohibited in that way. It is a form of protection.

Hon. Mr. ROBERTSON: At the Havana conference these methods of invisible protection are among the major points being discussed. In the past they have proved a greater obstacle to the export of our products than have duties and quotas.

The ACTING CHAIRMAN: Gentlemen, are there any more questions on this particular point? If not, we will move on to other questions which honourable senators may wish to ask Mr. McKinnon.

Hon. Mr. HOWARD: First, may I say, for the information of senators, that back in 1922 the Eastern Townships were shipping very large quantities of dairy products into the Boston market, and we had no inspection services; since that time they have been put into force, and have become more and more rigid to the fluid milk supply going to the cities in that area and also to the Carnation milk plants. No farmer can send his milk either to the Carnation plants or to the fluid milk deliveries unless he is inspected. With that change in policy I think possibly we might again get into the American market. With the tariff dropping down from 56½ cents to 28·3 on cream, we could have started shipping cream there again, but because of the change in the attitude of the American people, we said, "No, we will not start shipping this commodity again for fear of some other regulation being put on."

Hon. Mr. DAVIES: Mr. Chairman, may I ask if this is a federal regulation or is it a regulation imposed by the State of New York or the State of Massachusetts?

Mr. DEUTSCH: Yes, it is state regulation; not federal regulation.

Hon. Mr. HOWARD: The pressure from the United States was very much stronger when the farmer was not making much money and was selling his product at a low price in the United States, compared to today's prices.

Hon. Mr. MCKEEN: I think the regulations are becoming stiffer all over this continent. I know in British Columbia they are becoming more strict all the time; it is not done to the exclusion of anyone but for the cause of pure food.

Mr. McKinnon: Following the suggestion made by Senator McKeen, if we could get a modus operandi with the United States, and were able to secure acceptance of a Canadian certificate, it would work out all right.

Hon. Mr. McKeen: In other words, we are not objecting to regulations and sanitary methods, but we want somebody who can inspect our plants and pass upon them.

Hon. Mr. Howard: Yes, a reciprocal arrangement so to speak.

Hon. Mr. Robertson: I wish to quote an extract from information given to me by Dr. Derby. I may say the information I have is that at one stage at least the regulations were of a federal nature. He has this to say:

> The United States authorities passed regulations under the United States Federal Import Milk Act, 1927, and according to its regulations the requirements are:
>
> (1) Physical examination and certificates as to condition of all cows or cattle in herds from which milk or cream is shipped, either directly or indirectly, to the United States;
>
> (2) Sanitary inspection and certification as to conditions of all dairy farms and the equipment thereon;
>
> (3) Sanitary inspection of all plants, and,
>
> (4) Inspection and certificates as to condition of the equipment and methods of pasteurization in such plants.

That was a federal act passed in 1927, and the figures show that immediately after 1927 the total export of milk and cream to the United States started to decline, but its most noticeable drop came after the Smoot-Hawley tariff of 1930. Whether or not the federal authorities relaxed their original regulation and today the chief objections are by reason of state regulations, I do not know, but originally the federal authorities did exercise certain regulations.

Hon. Mr. Davies: Those would be regulations applied to every state in the union.

Hon. Mr. Robertson: And to imports.

Hon. Mr. Howard: That is right.

Hon. Mr. Robertson: The extract I read said, " . . . milk or cream shipped, either directly or indirectly, to the United States;"

Hon. Mr. MacLennan: From what source would the certificates have to be issued?

Hon. Mr. Robertson: It does not say in this document.

Mr. Kemp: I have here a copy of the law to which Senator Robertson has referred. It is known as the "Lenroot-Taber Act", and was passed in 1927, otherwise known as the Federal Import Milk Act. It is as he described it, consisting of ten sections.

> The Federal Import Milk Act, consisting of 10 sections, approved February 27, 1927, was enacted for the purpose of promoting the dairy industry of the United States and protecting public health by regulating the importation of milk and cream into the United States.
>
> Section 1 of this Act prohibits the importation of milk and cream into the United States unless the person by whom such milk or cream is shipped or transported into the United States holds a valid permit from the Secretary of Agriculture. The term "person" means an individual, partnership, association, or corporation.

Section 2 provides that milk or cream shall be considered unfit for importation:

(1) When all cows producing such milk or cream are not healthy and have not been physically examined within one year previous to such milk being offered for importation.

(2) When milk or cream, if raw, is not produced from cows which have passed a tuberculin test within one year previous to time of importation of such milk or cream.

(3) When the sanitary conditions of the dairy farm do not score at least 50 points out of 100 points provided by the score cards used by the Bureau of Dairy Industry of the United States Department of Agriculture.

Section 4 refers to the number of bacteria per cubic centimetre; paragraph 5 deals with the temperature of milk or cream at the time of importation.

Section 3 states that the Secretary of Agriculture shall:

(1) Cause all necessary inspections to be made and issue permits to ship milk or cream into the United States when he finds that Clauses 1, 2 and 3 of Section 2 of this Act are being complied with. Provided, that in lieu of such inspection he may accept a duly certified statement signed by a duly accredited official of an authorized department of a foreign government that these clauses have been complied with. On the strength of this statement he may issue the permit required for importation.

This refers to what Dr. Richards mentioned, the fact that in those days the federal regulations allowed the Canadian Department of Agriculture to do the inspecting and their findings could be accepted.

Hon. Mr. Howard: That is right.

Mr. Kemp: I have the rest of the story here, but I do not think we need read it for present purposes. But looking over the import statistics, Mr. Chairman, we notice that the import of milk in the calendar year, 1926, was 4·8 million gallons from Canada; in 1927 it was 3·6 million, in 1928 3·9 million. In 1929 it was down to 3·2 million and in 1930, 1·475 million. 1930 was the year of the Smoot-Hawley tariff, and it is generally believed by those with whom we have discussed the matter, that it was that tariff which brought about the collapse of the market rather than any sanitary regulations that had been put into effect up to that time. Subsequently, however, sanitary regulations did come in and proved even more effective than the Smoot-Hawley tariff had.

Mr. Deutsch: But the sanitary regulations were then state regulations, that is, the ones which were most disastrous in the 30's.

Mr. Kemp: That is correct.

Mr. Deutsch: It was not federal regulations but state regulations brought in in the 1930's which were the most troublesome.

Mr. Kemp: That is quite true.

The Acting Chairman: Are there other items which the Senators would like to discuss? If not, I should like to ask Mr. McKinnon to explain the difference between the duty on automobile parts and radio parts, under the Geneva Trade Agreements, as compared to former agreements.

Hon. Mr. Howard: Should we not complete the balance of the agricultural items?

The Acting Chairman: If there are more items to be discussed, yes.

Hon. Mr. Howard: There were thirteen items. Let us have the other agricultural items.

Mr. KEMP: I wonder if it would not be possible to leave that question for a few minutes, because we are having a statement delivered here during the course of the morning.

The ACTING CHAIRMAN: We will revert to that question when the statement comes, Mr. Kemp.

Mr. MCKINNON: Mr. Chairman, perhaps I might say a few words of a general nature before dealing with that question; it might be of interest to the committee. Up to the present time the committee has seemed anxious to obtain information regarding the concessions that Canada secured in other countries, rather than as regards concessions that may have been made in Canadian tariffs. I think this is the fifth sitting, and my recollection is that most of the previous sittings related to concessions secured by Canada in other countries. Senator Ballantyne, if I remember correctly, did on two occasions suggest that he would like to know something about the reductions that are proposed in the Canadian tariffs.

May I point out that the Canadian tariff as it stands today is easily one of the most complicated in the world. I am of course referring to its structure. For example, where the United States will have one rate on a given commodity applicable to all the countries of the world, we may have in our tariff at the one time as many as five different rates on one and same commodity.

Hon. A. L. BEAUBIEN: Is that brought into effect by regulations?

Mr. MCKINNON: No, this is statutory, Senator Beaubien. It arised from the fact that in the first place we have in many cases agreements with various units of the British Commonwealth, granting them on "x" commodity certain rates of duty. Applicable to the other parts of the commonwealth, to whom that particular agreement does not apply, we have what is called the British Preferential Tariff. That makes two rates. Applicable to other nations with whom we have made most favoured nation agreements of a reciprocal nature, we have a most-favoured-nation rate of duty. I am still talking about one commodity. Then, applicable to certain countries with whom Canada has had no serious rupture in relations, but who are not favoured nations, we have what is called the rate under intermediate tariff. And then we have finally the fifth column, the general tariff, which is, if I may use the word, punitive tariff, applied to countries with whom Canada has no relations of any kind that warrant better rates than are shown in the general tariff. Now, I am merely pointing that out because of the fact that, if any member of the committee should ask me what is the present rate, or what was the former rate, very often I might have to say, "Well, do you mean the British preferential rate; or the most-favoured-nation rate; or the Geneva rate?" and so on.

Hon. Mr. MCKEEN: Is there not another question in addition to that, namely what the article happen to be used for?

Mr. MCKINNON: That is true. I was trying to talk about a given tariff item, senator.

Hon. Mr. MCKEEN: Well, the same article may be used for more than one purpose.

Mr. MCKINNON: Sometimes there are two different items which refer to the same commodity according to the purpose for which it is to be used.

Hon. Mr. MCKEEN: In addition to that, it may be under two different classifications?

Mr. MCKINNON: Yes, it may be of a class or kind made in Canada, or of a class or kind not made in Canada.

Hon. Mr. MCKEEN: Or it may be a length of brass, or it may be a whistle.

Mr. MCKINNON: I am merely pointing out that the structure of our tariff is exceedingly complicated.

Hon. Mr. WHITE: Are we unique in that respect?

Mr. McKINNON: I would think that we are in contrast to most of the large trading nations. The United States has a single tariff except to deal with countries with which they may have broken off relations. The United Kingdom has, at most, a two-column tariff,—her rate against the world, and her rate within the Commonwealth. Most of the European tariffs are two or at the most three columns; whereas, as I stated, the Canadian runs to five columns or even six. It is partly a reflection of the manner in which industry has grown up in this country, in large part resulting from the development of branch plants.

Schedule V, to which you will wish to turn your attention this morning comprises the changes that are proposed in Canadian rates of duty. It includes about 1,050 items; and it may be, as you said at the opening, Mr. Chairman, a loss of time to start at the first and go through the entire thousand items. It might be much better, as I think you also suggested, that those honourable senators who are present and who are interested in any particular commodities should ask questions with regard to those particular items.

Now, dealing first with automobile parts. There are quite a number of items, some eight or ten altogether, with varying rates of duty. The automobile itself, that is the finished car, has carried in the past a most-favoured-nation rate, because I presume that is the one you are interested in, of $17\frac{1}{2}$ per cent; that rate is unchanged. Many of the parts used in manufacturing automobiles in this country enter at very low rates of duty,—5 or $7\frac{1}{2}$ per cent; indeed, many of them enter free, if the finished automobile can attain a certain specified so-called Empire content. If it cannot attain the required content of, shall we say, Canadian content (although the British content enters into the total), then the importer has to pay a higher rate of duty. As a general rule the highest rate of duty on parts is 25 per cent, and in the case of some few components, 30 per cent.

Hon. A. L. BEAUBIEN: Who establishes the quantity of the finished product to be made in Canada?

Mr. McKINNON: The customs authorities have to establish that, the plant making the automobile is actually producing a certain specific percentage of the total content of the car in Canada. To attain that percentage the manufacturer may add the percentage representing imports from other Empire areas. If he attains the specified content, he is entitled to free parts on a very long item that I would not attempt to read to you, because it covers several pages of the book.

Hon. A. L. BEAUBIEN: At that point: has the department got special officers to check that, and so forth?

Mr. McKINNON: That is right, sir.

Hon. Mr. McKEEN: That is, dollar content?

Mr. McKINNON: Yes, the value, the dollar content, yes.

The ACTING CHAIRMAN: And I understand there are some manufacturers who do obtain that?

Mr. McKINNON: Oh, yes. As a matter of fact the imports under the free item, which are dependent on the attainment of content, are very, very high.

Hon. Mr. ROBERTSON: Might I ask a question before you leave the automobile?

Mr. McKINNON: Yes, senator.

Hon. Mr. ROBERTSON: As I understand it, a prohibition exists against the import of used cars and trucks from the United States,—what is, in effect a prohibition. Has that been changed?

Mr. McKINNON: Under the Geneva agreement it will no longer be permissible to maintain a prohibition of the importation of used cars,—in the form of a prohibition.

Hon. Mr. ROBERTSON: But that is not in your trade agreement?

Mr. MCKINNON: No, sir, we kept it out of the agreement, because it is entirely up to Parliament to decide how it wishes to deal with used cars. It may in its wisdom, put on a rate of duty which is prohibitive; or it may, in its wisdom, put on such lower rate of duty as it deems sufficient for the purpose. But the point is that, under the new agreement, we may no longer prohibit the cars in those words: we have to deal with them by tariff action.

Hon. Mr. MCKEEN: I understand that there is a provision there that if a country is in financial difficulties they may then prohibit products coming in from all countries, to save their financial structure. Is there not a provision for that?

Mr. MCKINNON: That takes us back to the balance of payments situation, under which a country may do many things. If you wish to follow that up, we had better ask Mr. Deutsch.

Hon. Mr. MCKEEN: That is actually what is being done, in connection with this prohibition—

Hon. Mr. ROBERTSON: There is no prohibition on used cars and trucks.

Hon. Mr. MCKEEN: Oh, I am sorry. I thought it was cars.

Hon. Mr. DAVIES: Under the Geneva agreement could the Government of Canada put a prohibitive tariff on something on which you made an agreement?

Mr. MCKINNON: Yes, sir.

Mr. KEMP: We did not make an agreement covering duty on used cars.

Mr. MCKINNON: I was going to come to that. We made an agreement, but we did not include in the schedule that particular item.

Hon. Mr. DAVIES: I am talking about general items. Could the Government of Canada put a prohibitive tariff on any item on which you have come to a specific arrangement with the Government of the United States?

Mr. MCKINNON: Let me put it in another way. The Government of Canada could not impose a prohibition on any items included in the schedules to the agreement, because the rates are bound against increase. But certain countries reserved certain items: they said they were not prepared to bind them. We did that in the case of used cars; we said, "There is no item in the tariff at present; and we will not insert any item committing our country to a certain rate, because our Parliament will have to decide what it wishes to do about used cars".

The ACTING CHAIRMAN: Does that answer your question, Senator Davies?

Hon. Mr. DAVIES: In a roundabout way.

Hon. Mr. ROBERTSON: I think what Senator Davies means is this: he is not particularly referring to this prohibition of used cars and trucks, which is something that has been in effect for ten or twelve years?

Hon. Mr. DAVIES: I am referring to agricultural products.

Hon. Mr. ROBERTSON: He is referring to the general structure of the action taken by the government under the so-called austerity plan.

Hon. Mr. DAVIES: No. If we make a Geneva agreement in connection with some product of the United States, could this government, say, if we were importing it from the United States, or could the United States government, say, if it were importing that item from Canada, put a prohibitive tariff against it?

Mr. MCKINNON: No, not if the item is included in the schedules, because the rate attached to it is the maximum that may be applied. But as I said, certain countries refused to include certain items; and one of the items we refused to include was used cars, because we felt that Parliament would have to deal with them.

Hon. Mr. DAVIES: Let us discuss oleomargarine. Could the Government of Canada put a prohibitive tariff against oleomargarine if a bill was passed to import it?

Mr. McKinnon: Speaking as a layman and not as a lawyer, I would say the government could put any rate of duty it wished against oleomargarine under this agreement.

Hon. A. L. Beaubien: But it cannot prohibit?

Mr. McKinnon: It cannot prohibit in the sense of the word "p-r-o-h-i-b-i-t". But it can put against oleomargarine any rate of duty it deems desirable.

Hon. Mr. Davies: Could we put a duty against any product respecting which we have an agreement?

Mr. McKinnon: If you were to hunt for some product which is not included in that agreement—

Hon. Mr. Davies: Is not oleomargarine included in the agreement?

Mr. McKinnon: No. The prohibition, under the charter, has been abolished. We may no longer prohibit. But these tariff schedules do not include either used cars or oleomargarine, because it is up to parliament to decide how it wishes to deal with them.

Hon. Mr. Howard: They have got you going and coming.

Hon. Mr. McLean: If the agreement is carried out with oleomargarine the prohibition goes?

Mr. Deutsch: I might point out to honourable senators that the Havana discussions may have an effect on this situation. Many of the clauses of the General Agreement, as I have explained before, are taken from the International Trade Charter which is now being discussed at Havana. These sections in the General Agreement which is now being discussed at Havana may be changed as a result of those discussions, if the countries which have signed the Agreement are willing to substitute the new clauses for the ones that are now in the General Agreement. In that respect that may have some effect upon the situation regarding oleomargarine. As the Agreement now stands, the prohibition on oleomargarine has to go, but what will happen after the Havana conference is over, and the countries which have signed this agreement have considered whether or not they should change some of these general sections of this agreement, remains to be seen.

Hon. Mr. McLean: Does that apply to used cars and trucks as well?

Mr. Deutsch: It may apply to them and it may apply to oleomargarine. We cannot state definitely what the ultimate situation will be until the Havana discussions are over.

Hon. A. L. Beaubien: In other words, we do not have to remove the restrictions on oleomargarine until the Geneva agreement—

Mr. Deutsch: Until the Geneva agreement is in its final form; and in the meantime the prohibition continues on our statute books, and only when this agreement is in its final form and ratified by Parliament does any action have to be taken in the light of that Agreement at that time.

Hon. Mr. Davies: And it will not be in its final form until after the Havana agreement?

Mr. Deutsch: Yes.

Hon. Mr. McLean: That is different to the discussions we had about fish. As we understood, the agreement you made stands.

Mr. Deutsch: There are two parts. The discussions at Havana do not affect the tariff changes at all. It is only the general sections of this Agreement which may be affected.

Hon. Mr. Robertson: Does that apply as well to the United States in passing its legislation through Congress which has to do with this tariff administration?

Mr. DEUTSCH: That is right.

Hon. Mr. ROBERTSON: They do not have to pass that until the Geneva agreement—

Mr. DEUTSCH: Yes.

Hon. Mr. ROBERTSON: But the tariff schedules remain?

Mr. MCKINNON: They will not be changed. The tariff schedules remain.

Hon. Mr. MCKEEN: Have you any information as to the prospects of the Havana conference? I heard that there are 800 amendments to be considered. Is there much prospect of this Havana agreement going through?

Mr. DEUTSCH: Yes, senator; they have a great many amendments, and they have had lengthy discussions; but it appears now that they hope to finish in a week or ten days.

Hon. Mr. MCKEEN: Are all the countries participating, or have some withdrawn?

Mr. MCKINNON: Not all are participating.

Hon. Mr. DAVIES: Who is representing Canada?

Mr. MCKINNON: Our delegation is headed by Mr. Wilgress.

Hon. Mr. MCKEEN: But the Havana agreement, as I understand it, will have no effect on these agreements that these eight countries have definitively signed as starting the first of the year?

Mr. DEUTSCH: The Havana discussions do not affect the tariffs that are now in effect provisionally, but they may affect some of the general provisions of the Geneva Agreement. That Agreement provides that after the Havana conference is over the countries which have signed the agreement may, if they wish, substitute the articles which were changed at Havana for the articles agreed upon at Geneva.

Hon. Mr. DAVIES: They could make decisions and regulations that would nullify some of the tariff agreements?

Mr. DEUTSCH: The tariff rates cannot be changed, sir.

Hon. Mr. DAVIES: They could be affected by regulations.

Mr. DEUTSCH: Some of the invisible means of protection might be altered, sir, that is true.

Hon. Mr. DAVIES: So that the new tariff agreement could not possibly work?

Hon. Mr. ROBERTSON: Or would not be as effective?

Mr. DEUTSCH: Technically that is possible, but a substitution can only be made if it is agreed to by each of the countries that have signed the Geneva agreement. That still remains to be done after the Havana conference is over.

Hon. Mr. BURCHILL: Will that mean another conference?

Mr. DEUTSCH: No, just an informal meeting of the countries that have signed this Agreement.

Mr. MCKINNON: And it will be right at Havana.

Hon. Mr. MCLEAN: Was there a currency agreement at Geneva?

Mr. DEUTSCH: No, there was no currency agreement, sir.

Hon. Mr. MCLEAN: That matter is left with the international fund?

Mr. DEUTSCH: That is right.

Mr. MCKINNON: Mr. Chairman, I think you asked about radios and parts?

The ACTING CHAIRMAN: Yes.

Mr. McKinnon: The most-favoured-nation rate on a complete radio was 25 per cent, and the proposed most-favoured-nation rate is 20 per cent. Most of the parts enter free of duty, under two very long items, 445-0 and 445-P, and there is no change in either of those items.

The Acting Chairman: What change if any, is there in the United States tariff on motor parts and radios and parts coming from Canada?

Mr. Kemp: There is no change in the duty on automobiles. I should have to look up the rates on radios, but in any event I do not think there is any movement of trade.

The Acting Chairman: Some canvass is being made by radio manufacturers, and I understand they feel it is quite possible that they could sell radio parts in the United States if the tariff were not prohibitive.

Mr. McKinnon: That might well be.

The Acting Chairman: For the information of honourable members I might say that radio manufacturers in Canada have been somewhat restricted with respect to imports under the present emergency legislation, and some of them have been asked to develop markets in hard currency countries and promised that if they do so they will be able to use the moneys that they get to bring in parts. I know that certain investigations have been made, and it is felt to be possible, with increased production in radios and radio parts in Canada, to develop a market in the United States.

Mr. Kemp: Have you the rates, Mr. Cowper?

Mr. G. C. Cowper, Chief of Foreign Tariff Section, Department of Trade and Commerce: The duty on radios entering the United States was 25 per cent, and it is now 15 per cent. Parts that can be used for no other purpose than radio carry the same rate.

The Acting Chairman: Such as radio tubes, I suppose?

Mr. Cowper: Yes.

Hon. Mr. Davies: What is the position with regard to flashlight bulbs for press photographers? There was quite a fuss about the alleged shortage, and I believe the minister said he thought there were plenty in Canada to satisfy the need. Are they still prohibited from coming in?

Mr. McKinnon: Are you referring to the temporary prohibitions, sir?

Hon. Mr. Davies: Yes. Have they been removed?

Mr. McKinnon: Do you know about that, Mr. Deutsch?

Mr. Deutsch: I do not know. I know the question came up, but I was away at the time and am not familiar with what the decision was.

Hon. Mr. Davies: I am told by press photographers that the bulbs that are being used at the present time are faulty, and they could get better-class bulbs in the United States but the importation is prohibited.

Mr. Deutsch: I am sorry, sir, that I do not know what the situation is at the moment.

Mr. McKinnon: We can approach these matters only from the point of view of the permanent tariff, senator.

Mr. Chairman, may I make a brief statement that may be of interest to members of the committee? While I am willing to answer any questions, I can quite understand that members who have not the printed schedule before them cannot readily ask questions. It may be of interest to know that in 1939, which is the year that we used for the basis of all our negotiations, the ad valorem equivalent of the duties collected on imports from the United States into Canada —and by that I mean the percentage that the duty represented of the value of the goods—was about 13 per cent. But in respect of dutiable goods only, the

duty collected was slightly less than 22 per cent of their value. Senator Euler, when he was presiding, asked me if I could give him a rough idea of the weight or the height of the Canadian tariff on imports from the United States, and, as nearly as one can average a situation like that, that is it. On all goods imported from the United States in 1939, dutiable and free, the duty represented about 13 per cent of the value; and on dutiable goods alone, the duty represented about 22 per cent of the value.

Hon. Mr. Robertson: That was in 1939. What is the change as a result of the Geneva trade agreement?

Mr. McKinnon: We did not attempt to make any precise calculation of that; first, because, having in mind the abnormal nature of trade during the war and immediate post-war years, we kept to the trade figures of 1939 as the only sound basis on which to calculate; and secondly, because it is very hard to tell just what might result in either the United States or Canada from the lowering of a rate of duty. For instance, the cutting in half of even an extremely high duty need not necessarily result in a great movement of goods. The same is true of a further reduction in a very low rate of duty: I am thinking, for example, of the rate on oats entering the United States from Canada. It was 8 cents, and we have got it cut to 4 cents. If through further negotiations oats were admitted free, that might not result in the flow of a great many more bushels of oats to the United States, because 4 cents is so close to free. My own impression would be that on the dutiable goods, allowing for a return to fairly normal trade in both volume and value, the net incidence of our tariff on imports from the United States would, as a result of the changes made at Geneva, more likely be in the neighbourhood of 17 or 18 per cent than 22 per cent. That is merely a rough estimate made by one person, who may not be any more competent than anybody else to make it. In other words, it is a guess.

Hon. A. L. Beaubien: In the average figure that you gave a moment ago, did you take into account the arbitrary valuations for duty purposes?

Mr. McKinnon: No, Senator Beaubien. The figures issued by the Dominion Bureau of Statistics do not take into account, in the determination of value, the special duties that are applied, such as you have in mind. It is with that particular factor in mind that I say that in my own opinion the net rate will drop from probably 22 per cent to 17 or 18 per cent.

Hon. Mr. Buchanan: Will the embargo against the export of beef cattle to the United States have to come off, because of the agreement?

Mr. McKinnon: No, Senator Buchanan. That is entirely a matter of domestic policy, in respect of which I have no information whatever. The embargo was imposed for certain domestic reasons, I believe arising particularly out of the price ceiling in effect during the war. Obviously, as long as the embargo is on we cannot take full advantage of the reductions that were secured at Geneva, but I have no idea as to when the embargo might be lifted. Have you, Mr. Deutsch?

Mr. Deutsch: No. The agreement would not require the Canadian government to remove that embargo at the present time. That is a matter for the government to decide.

Hon. Mr. Buchanan: Is it not contrary to the spirit of the agreement?

Mr. Deutsch: In normal circumstances export embargoes are not permitted under this Agreement, but there is a leeway whereby countries may make adjustments necessitated by conditions arising out of the war. For instance, where commodities are in short supply, the agreement permits the countries to maintain for a certain period the same trade controls that were in effect during the war, but those controls must be removed after the limited period.

Hon. Mr. McKEEN: Does that mean that if we have certain raw materials that are needed by our secondary industries we could be forced to remove an embargo against the export of those materials to other countries? For instance, it is quite conceivable that outside interests might come in and buy up most of the raw materials needed by our pulp mills in British Columbia, and if those materials could be exported the pulp mills would be put out of business. Would the Geneva agreement make it impossible for the government to impose an embargo on exports of that kind?

Mr. DEUTSCH: After this transitional period is over we would not be permitted to continue export controls or prohibitions, just as we would not be permitted to prohibit imports except under specified circumstances.

Hon. Mr. McKEEN: I understand it with respect to imports in the natural course of trade, but I don't see why other countries should have any rights over our raw materials.

Mr. DEUTSCH: I believe you are referring to the controls on the export of pulpwood.

Hon. Mr. McKEEN: And on lumber, which is also used.

Hon. Mr. MACLENNAN: You are only giving an example.

Hon. Mr. McKEEN: But that was done long before the war.

Mr. DEUTSCH: That is true, but in so far as those controls are imposed by the provinces, the federal government has made no undertaking which would force the provinces to change their practice. In other words, the provinces have been imposing their controls, and because of the fact that the pulpwood is cut on Crown property there is nothing in these agreements which would interfere with the provinces carrying out whatever natural resources policy they wish to have.

Hon. Mr. PIRIE: But that has only to do with Crown land and does not affect private land.

Mr. DEUTSCH: That is true. Also, in so far as the federal government is concerned it could not put on prohibitions.

Hon. Mr. McKEEN: But the federal government sold Crown lands, advertising that it had exportable timber. Of course during the war it could not be exported for war purposes, but the sales were advertised on that basis. Now the war has been over some time and they still enforce those controls, which I think is rather a discrimination against the buyer who bought on the assumption that he could export that material. While I am not in favour of any export of raw material of which we ourselves are in short supply, when we have the supply I do not think an embargo like that should be carried out, especially when the land was bought on a contract that it had exportable timber.

Hon. A. L. BEAUBIEN: Do I understand that if Canada at some time became in short supply, for instance with respect to meat, that under the Geneva Agreements we cannot put on prohibitions?

Mr. DEUTSCH: Let me try to make the point clear. We have a temporary period after the war which is commonly referred to as the transitional period, during which time—

Hon. A. L. BEAUBIEN: May I ask if there is a time limit to that period?

Mr. DEUTSCH: Yes, there is a limit.

Hon. A. L. BEAUBIEN: What is the time limit?

Mr. DEUTSCH: 1951. —during which time we can adjust our wartime controls to a normal situation, and during that period we may continue some of the trade controls we had on during the war. After that time limit expired we would no longer be permitted to put on prohibitions either of an export or an import nature. There are a few exceptions to that, under the normal

situation, to take care of legitimate cases, and one of them, Senator Beaubien, is the one to which you refer. The clause says that the provisions of this paragraph, which do not allow the imposition of prohibitions shall not extend to the following—one of them is export prohibitions or restrictions—temporarily applied to prevent or relieve critical shortages of foodstuffs or other products essential to the exporting country. In other words, if we do run into a situation where there is a shortage of food, or of some other essential material, which causes a shortage situation which might be serious, we may then temporarily put on a prohibition to relieve the shortage.

Hon. A. L. BEAUBIEN: Would that be done by consultation with other countries with whom we have signed an agreement?

Mr. DEUTSCH: Normally we would consult them, but we would not have to if we had a good case, that is, if we could prove that because of shortages we would be facing serious difficulties if we did not act to relieve the situation. Under those circumstances we could put on temporary controls.

Hon. Mr. MCKEEN: Is that the way in which we would stop the export of uranium to some of these countries to which we would prefer it did not go?

Mr. DEUTSCH: Uranium is especially excluded from this agreement.

The ACTING CHAIRMAN: Of course, Mr. Deutsch, we have an advantage under certain clauses with respect to such things as coal and petroleum products.

Mr. DEUTSCH: Yes.

Mr. MCKINNON: Fuel oil. In other words, it works both ways.

Mr. DEUTSCH: It works very much both ways. We are very dependent upon other countries for raw materials which are absolutely essential to our economy, and while we have to give up perhaps certain unilateral rights, we benefit by the undertaking that other countries also give up certain unilateral rights.

Hon. Mr. MCKEEN: I would take it that the provinces would be in much the same position as, for instance, the state of New York.

Mr. MCKINNON: That is quite right.

Hon. Mr. MCKEEN: We have certain sales in British Columbia and no doubt there are other provinces who must have the same conditions; I presume another province could do the same as we do.

Mr. MCKINNON: Yes.

Mr. DEUTSCH: What the state of New York does with respect to milk is in some ways analagous to what our provinces do with respect to some other things.

Hon. A. L. BEAUBIEN: Do you mean to say that any province in Canada could prevent the export of certain materials produced in that province?

Hon. Mr. MCKEEN: If that province owned the commodity.

Mr. DEUTSCH: Yes, if the province owns it.

Hon. A. L. BEAUBIEN: Do you mean if it belongs to the Crown?

Hon. Mr. MCKEEN: Yes, if the Crown in the right of the province owns it.

Hon. A. L. BEAUBIEN: But it could not interfere with private ownership?

Mr. DEUTSCH: No. If the province is the owner of a natural resource, it would control it the same as the owner of any property would have control over it.

The ACTING CHAIRMAN: Are there any further questions, gentlemen? Mr. Kemp, have you the statement on the agricultural products?

Mr. KEMP: I have those figures here of the concessions that we gained with respect to dairy products. The complete list from the United States is as follows:

Tariff Item 707, fresh cream; duty reduced from 28·3 cents per gallon to 20 cents a gallon, on a quota of $1\frac{1}{2}$ million gallons, with no change in ex-quota rate

of 56·6 cents per gallon. On whole milk the rate was reduced from $3\frac{1}{4}$ cents a gallon to 2 cents, on the quota of 3 million gallons, with no change in the ex-quota rate which remains at 6·5 cents a gallon. On skimmed milk and buttermilk the rate was reduced from $2\frac{1}{20}$ cents per gallon to $1\frac{1}{2}$ cents a gallon.

Tariff Item 708, condensed milk, unsweetened; the rate was reduced from 1·8 cents a pound to 1 cent a pound; and on condensed milk, sweetened, it was reduced from 2·75 cents a pound to 1·75 cents a pound.

Tariff Item 708b, whole milk dried; the rate was reduced from $6\frac{1}{12}$ cents a pound to $3\frac{1}{10}$ cents a pound. Skimmed milk dried was reduced from 3 cents to $1\frac{1}{2}$ cents a pound. Buttermilk dried was bound at $1\frac{1}{2}$ cents a pound.

Tariff Item 709; butter, the rate was 14 cents a pound, and it has now been reduced to 7 cents a pound, with a quota of 50 million pounds. This concession was negotiated primarily with New Zealand but we benefit by it to the extent that we may at any time have butter for sale in the United States.

Hon. Mr. McKeen: Excuse me, but does that apply to any time of the year or is it seasonal?

Mr. Kemp: That is a seasonal affair, sir.

Hon. Mr. McKeen: That season fits them, but it does not fit us. Is that our off-season?

Mr. Kemp: We could, of course, sell out of cold storage.

Item 710, cheddar cheese; the rate was 4 cents a pound, or 25 per cent, and it has now been reduced to $3\frac{1}{2}$ cents a pound or $17\frac{1}{2}$ per cent, whichever is the more.

That is the complete list of dairy product concessions in the United States. Now I have a further list here of concessions on dairy products that we received from Benelux, Brazil, China, France, India and Norway. Is it your wish to hear those also?

Some Hon. Senators: No.

The Acting Chairman: Are there any questions, gentlemen, with respect to these items?

Hon. Mr. McKeen: Were any concessions made with respect to maple products, that is maple sugar and maple syrup?

Mr. Kemp: Yes, sir.

Hon. Mr. McKeen: Could you give us those?

Mr. Kemp: On maple sugar the United States rate was formerly 3 cents a pound, and it has been reduced to 2 cents a pound; on maple syrup the rate was 2 cents a pound and it has now been reduced to $1\frac{1}{2}$ cents a pound. We have also got a concession on these items in France, and quite a large concession. The rate, I think, with respect to maple syrup and maple sugar was 130 per cent, and it has now been reduced to 30 per cent.

Hon. Mr. McKeen: Is there much of that product shipped to France?

Mr. Kemp: I do not think there was under the old rate.

Mr. McKinnon: May I say that in respect to both maple syrup and maple sugar shipped to the United States, we got a concession in 1935, a larger concession in 1938 and now we have a third one. As you know there is a very large market in Vermont and some of the neighbouring states for our maple syrup and our maple sugar.

Hon. Mr. McKeen: Do they sell it out as Vermont maple syrup afterwards?

The Acting Chairman: Are there any further questions?

Hon. Mr. Pirie: Mr. Chairman, I wish to ask some questions about seed potatoes and table potatoes. I should like to get some information as to the rate on seed potatoes at the present time to the United States, as well as with respect to other countries that come under the Geneva Agreements. This information would be of interest to eastern farmers as well as to western farmers.

The ACTING CHAIRMAN: Do you mean the rate on potatoes entering Canada or going into other countries?

Hon. Mr. PIRIE: No, the rate on potatoes entering the United States, and their quota.

Mr. KEMP: With respect to the United States on certified seed potatoes, the former rate was 37½ cents per hundred pounds, on a quota of 1½ million bushels. The new arrangement is that the quota has been increased to 2½ million bushels, and the rate remains the same; the ex-quota rate, which was 75 cents per hundred pounds, also remains the same. So that the change is in the size of the quota, and the increase is from 1·5 million bushels to 2·5 million bushels on table potatoes.

Hon. Mr. PIRIE: Just before you leave that item may I ask you if there is a certain period in the year when this figure of 37½ cents applies?

Mr. KEMP: That is true of the whole year, under the present arrangement.

Hon. Mr. PIRIE: The 37½ cents now applies to the entire year.

Mr. KEMP: That is true, within the quota.

Hon. Mr. PIRIE: And what is the rate on any increase over the quota?

Mr. KEMP: The rate on imports over the quota is 75 cents per hundred pounds.

Hon. Mr. PIRIE: And it remains the same?

Mr. KEMP: It is the same. On table potatoes the rate has not been changed. It still is 37½ cents per hundred pounds throughout the year on a quota of one million bushels, and on anything over the quota it is 75 cents per hundred pounds. These are the figures for the United States. I have them also for the other countries.

Hon. Mr. PIRIE: Say Cuba?

Mr. KEMP: In Cuba, on certified seed potatoes, they did enter free during a certain period of the year, and they have been bound free of duty from September 1 to January 31, which is the period in which we would want to sell them in any case the potatoes not separately provided for. These rates are in United State sdollars. The rate is $5 per hundred kilograms from November 1 to June 30; $4 per hundred kilograms from July 1 to July 31 and October 1 to 31; and $4 per hundred kilograms, reduced to $3.50, from August 1 to September 30.

Hon. Mr. PIRIE: I have not worked that out in pounds.

Mr. KEMP: A kilogram is about 2·2 pounds, so 100 kilograms amounts roughly to 220 pounds. There is also a concession in France. Seed potatoes are admitted in the limits of a quota which is going to be fixed each year by decree of the French Minister of Agriculture, and under the conditions laid down in a rather lengthy text, but there is a reduction within that quota from 30 per cent to 15 per cent on seed potatoes going to France. There is one other country where we have received a concession—in Brazil, where certified seed potatoes have been bound free of duty. I think that is the complete list.

Hon. Mr. PIRIE: There are plenty of restrictions on, for Colorado beetle and such other insects that they claim we have here but perhaps they have not in Brazil. That is another case where, I suppose, they could put on these prohibitive restrictions, like New York State on our cream and milk. It works just about the same way.

Mr. DEUTSCH: Is that a federal regulation? The federal government, I gather, is all powerful.

Hon. Mr. PIRIE: Yes, I think it is a federal regulation.

Mr. DEUTSCH: They may put on sanitary regulations, but they cannot use those sanitary regulations purely as an indirect device for protection. In other words, if they are really sanitary regulations they are permitted. But they cannot use them as an indirect method of keeping out the potatoes.

Mr. KEMP: We understand that the Brazilians really want our seed potatoes, and we do not think they are likely to do that sort of thing.

Hon. Mr. PIRIE: Well, if they want them they have bought very few of them. You can ship seed potatoes to Brazil today, if you want to wait long enough for your money. They will pay you in cruzeiros; they will hold you up, as a senator suggests, until they grow the potatoes years after. They make no effort to pay until they are good and ready. Of course if you want to ship under those conditions, O.K., but you do not have to.

Hon. Mr. MCKEEN: I take it that you don't.

Hon. Mr. PIRIE: We have shipped them under these conditions. We shipped seed potatoes to Brazil this year for the first time, two or three months ago, and they still have the money there, and I suppose they will still have the money for some months to come.

Hon. Mr. MCKEEN: Maybe you had better go into the coffee business.

Hon. Mr. PIRIE: Yes; that might be one way of getting it.

The ACTING CHAIRMAN: If there are no other questions, this will conclude the meeting and the discussions as far as questioning the witness is concerned. In the absence of the chairman I wish to say how grateful we are to Mr. McKinnon and the other witnesses who have come before us. They have been most helpful and informative with respect to these matters. It has been a great pleasure to all members of the committee to have been here and to have had the opportunity of procuring this information.

Hon. Mr. ROBERTSON: I may say that Mr. Kemp informed me that he is having prepared a complete list of our concessions.

Mr. KEMP: The concessions we received from the United States (reductions and bindings on dutiable items). The tables to be submitted do not include items which were already free of duty under previous agreements.

Hon. Mr. ROBERTSON: He thought it would be ready before we adjourned, but he will supply it to us and to the members of the committee and it can be incorporated i nour records; because it may be that our hearings will be of some value to the House of Commons; in any event they will be forthcoming, and when they come I suggest that they could form a part of the records of this hearing.

The ACTING CHAIRMAN: Senator Robertson suggests that we might leave the report until Senator Euler returned. At that time we could have a discussion of the full committee as to form the report to the house should take.

Hon. A. L. BEAUBIEN: Your idea, Senator Robertson, is that the statement Mr. Kemp is going to give will be incorporated in our votes and proceedings.

Hon. Mr. ROBERTSON: Incorporated in the printed report which is being made of these meetings, and copies of it will be available to all members of this committee. Unfortunately it is not yet here, but it will be a matter of probably being available today some time. As Senator Campbell says, perhaps we could leave the matter now, in the absence of the chairman, until he is ready to call us together to consider the report we may make. I suppose that in the interim, if honourable senators feel that some further information should be supplied, either by letter or perhaps by the attendance of some of the officials who may be available, the necessary arrangements could be made. I know how much the time of these officials is taken up, but they have been very obliging, and I am sure that we can count on their assistance.

Mr. MCKINNON: I think I should say on behalf of our group to the chairman and members of the committee that it has been a very pleasant experience. It is quite different from what we have been accustomed to in the other house—

Some Hon. SENATORS: Oh, oh.

Mr. McKINNON: No, no. I mean, in the sense that there you are in committee of ways and means, and it is very formal. Here the proceedings were completely informal; questions could be directed to the official concerned and replies given direct. And I think we have all found the proceedings here not only interesting from our point of view but informative also.

The ACTING CHAIRMAN: The proceedings are adjourned, the committee to meet at the call of the Chair.

(For table of imports into the United States from Canada to which reference is made in the foregoing discussion, see appendix.)

APPENDIX "A"

Imports into the United States from Canada of principal* dutiable items on which concessions were obtained under the General Agreement on Tariffs and Trade, calendar years 1939 and 1946, showing rates of duty

(* Statement includes only items valued at $50,000 or more in either year)

U.S. Statistical Description (abbr.)	Tariff Rates				Imports into U.S. from Canada	
	U.S. Tariff Item	Smoot-Hawley (i.e. 1930 rate)	1946 rate	Geneva agreement rate	1939	1946
					(thousands	of dollars)
Chemicals, Oil and Paints—						
Acetic acid, more than 65% by wt.	1	2¢ lb.	1¢ lb.	$\frac{3}{4}$¢ lb.	60	327
Vinyl acetate, polymerized, and synthetic resins	2	6¢ lb. plus 30%	3¢ lb. plus 15%	$1\frac{1}{2}$¢ lb. plus $7\frac{1}{2}$%	173	228
Butyl alcohol	4	6¢ lb.	6¢ lb.	3¢ lb.	....	51
Vitamins and vitasterols	5	25%	25%	$12\frac{1}{2}$%	140	
Medicinal preparations of animal origin	5	25%	$12\frac{1}{2}$%	$12\frac{1}{2}$%	....	108
Synthetic resins made from vinyl acetate	11	4¢ lb. plus 30%	3¢ lb. plus 15%	$1\frac{1}{2}$¢ lb. plus $7\frac{1}{2}$%	....	52
Calcium acetate	16	1¢ lb.	$\frac{1}{2}$¢ lb.	$\frac{1}{4}$¢ lb.	....	74
Calcium carbide	16	1¢ lb.	1¢ lb.	$\frac{1}{2}$¢ lb.	74	87
Drugs of animal or vegetable origin, n.e.s., advanced in value	34	10%	10%	5%	32	230
Glycerine, crude	42	1¢ lb.	8/10¢ lb.	4/10¢ lb.	8	114
Herring oil	52	5¢ gal., plus 3¢ lb. IRC tax	$2\frac{1}{2}$¢ gal., plus $1\frac{1}{2}$¢ lb. IRC tax.	$1\frac{1}{4}$¢ gal., plus $\frac{3}{4}$¢ lb. IRC tax.	....	148
Castor oil	53	3¢ lb.	3¢ lb.	$1\frac{1}{2}$¢ lb.	....	63
Coconut oil	54	2¢ lb., plus 5¢ lb. IRC tax.	2¢ lb., plus 3¢ lb. IRC tax.	1¢ lb., plus 3¢ lb. IRC tax.	....	128
Cedar-leaf oil	58	25%	$12\frac{1}{2}$%	$7\frac{1}{2}$%	2	72
Barytes ore, crude	67	$4.00 ton	$4.00 ton	$3.50 ton	....	269
Acetylene black	71	20%	10%	5%	248	404
Synthetic iron oxide and iron hydroxide pigments	73	20%	15%	15%	58	96
Sodium carbonate, calcined (soda ash)	81	$\frac{1}{4}$¢ lb.	$\frac{1}{4}$¢ lb.	$\frac{1}{4}$¢ lb.	....	84
Earths, earthenware, and glassware—						
Fire brick, n.e.s.	201a	25%	$12\frac{1}{2}$%	$6\frac{1}{4}$%	22	83
All other bricks, (including common building)	201b	$1.25 M	$1.00 M	$1.00 M	9	104
Limestone, crude or crushed	203	5¢ 100 lbs.	$2\frac{1}{2}$¢ 100 lbs.	$1\frac{1}{4}$¢ 100 lbs.	37	58
Lime, n.s.p.f.	203	10¢ 100 lbs.	5¢ 100 lbs.	$2\frac{1}{2}$¢ 100 lbs.	60	248
Crude Feldspar	207	50¢ ton	25¢ ton	25¢ ton	52	128
Untrimmed phlogopite mica	208f	15%	10%	5%	5	57

Talc, ground, not over $14.00 ton	209	35%	$17\frac{1}{2}$%	10%	52	53
Graphite or plumbago, natural, amorphous	213	10%	5%	5%	26	117
Articles of carbon, n.s.p.f.	216	45%	30%	15%	....	487
Metals and manufactures of—						
Iron and steel scrap	301	75¢ ton	75¢ ton(1)	$37\frac{1}{2}$¢ ton(1)	254	145
Spiegeleisen	301	75¢ ton	75¢ ton	75¢ ton	1,302	18
Ferromanganese less than 4% carbon	302d	$1\frac{7}{8}$¢ lb. on manganese content.	$1\frac{7}{8}$¢ lb. on manganese content.	15/16¢ lb. on manganese content.	....	309
Ferromanganese, not less than 4% carbon	302d	$1\frac{7}{8}$¢ lb. on manganese content.	1¢ lb. on manganese content.	11/16¢ lb. on manganese content.	....	2,583
Ferrosilicon, less than 30% silicon	302i	2¢ lb. on silicon content	1¢ lb. on silicon content	1¢ lb. on silicon content	238	261
Ferrochrome, 3% or more of carbon	302k	$2\frac{1}{2}$¢ lb. on chromium content.	$1\frac{1}{4}$¢ lb. on chromium content.	$\frac{5}{8}$¢ lb. on chromium content.	1	252
Alloys used in mfr. of steel, n.e.s.	302o	25%	$12\frac{1}{2}$%	$12\frac{1}{2}$%	....	791
Ferrocerium	302q	$2.00 lb. plus 25%	$2.00 lb. plus 25%	$1.00 lb. plus $12\frac{1}{2}$%	....	79
Boiler plate, iron or steel, valued not over 3¢ lb.	307	5/10¢ lb.	35/100¢ lb.	10% (min. 0.175¢ lb.)	....	82
Telegraph, telephone wire, of copper	316a	35%, plus 4¢ lb. IRC tax on copper content.	35%, plus 4¢ lb. IRC tax on copper content.	$17\frac{1}{2}$%, plus 2¢ lb. IRC tax on copper content (2).	....	72
Rails of iron or steel	322	1/10¢ lb.	1/10¢ lb.	1/10¢ lb.	140	114
Railway fishplates	322	$\frac{1}{4}$¢ lb.	$\frac{1}{4}$¢ lb.	$\frac{1}{8}$¢ lb.	25	80
Hollow or flatware, of iron or steel, n.s.p.f.	339	40%	40%	20%	....	109
Hollow or flatware of base metal, n.e.s.	339	40%	40%	20%	....	53
Electrotype plates, engraved, for printing	341	25%	25%	15%	13	56
Needles, tape, knitting, and other, n.s.p.f.	343	45%	30%	30%	....	129
Electric generators and parts, n.e.s.	353	35%	25%	15%	....	67
Electric motors, n.e.s.	353	35%	25%	15%	3	50
Radio apparatus and parts	353	35%	25%	15%	5	870
Electrical goods and parts, n.e.s.	353	35%	25%	15%	7	341
Electrical machines and parts, n.s.p.f.	353	35%	$27\frac{1}{2}$%	15%	15	528
Automobile parts	369c	25%	25%	$12\frac{1}{2}$%	39	2,700
Airplanes	370	30%	30%	15%	4	566
Aircraft parts (other than engines)	370	30%	30%	15%	7	1,613
Pleasure boats (not more than $15,000 each)	370	30%	15%	15%	27	273
Parts of steam locomotives	372	15%	15%	$7\frac{1}{2}$%	61	52
Internal combustion engines	372	$27\frac{1}{2}$%	$17\frac{1}{2}$%	10%	....	59
Parts of internal combustion engines	372	$27\frac{1}{2}$%	$17\frac{1}{2}$%	10%	....	63
Other sawmill and wood working machinery, n.e.s.	372	$27\frac{1}{2}$%	$27\frac{1}{2}$%	15%	1	767
Machinery and carts, n.e.s. (not agricultural)	372	$27\frac{1}{2}$%	$27\frac{1}{2}$%	15%	72	1,099
Aluminum metal and alloys, crude	374	4¢ lb.	3¢ lb.	2¢ lb.	1,048	9,341
Aluminum scrap	374	4¢ lb.	3¢ lb.(1)	$1\frac{1}{2}$¢ lb.(1)	71	742
Aluminum plates, sheets, etc.	374	7¢ lb.	6¢ lb.	3¢ lb.	....	119
Magnesium, metallic and scrap	375	40 lb.	40¢ lb.	20¢ lb.	....	111
Copper in rolls, sheets and rods	381	$2\frac{1}{2}$¢ lb., plus 4¢ lb. IRC tax on copper content.	$2\frac{1}{2}$¢ lb., plus 4¢ lb. IRC tax on copper content.	$1\frac{1}{4}$¢ lb., plus 2¢ lb. IRC(2) tax on copper content.	....	192

(1) Duty suspended until June 30, 1948.
(2) Tax on copper suspended from April 30, 1947, for a period of two years.

APPENDIX "A"

Imports into the United States from Canada of principal* dutiable items on which concessions were obtained under the General Agreement on Tariffs and Trade, calendar years 1939 and 1946, showing rates of duty—*Continued*

(* Statement includes only items valued at $50,000 or more in either year)

U.S. Statistical Description (abbr.)	Tariff Rates				Imports into U.S. from Canada	
	U.S. Tariff Item	Smoot-Hawley (i.e. 1930 rate)	1946 rate	Geneva agreement rate	1939	1946
					(thousands	of dollars)
Metals and manufactures of—Con.						
Brass rods, sheets, strip, etc.	381	4¢ lb., plus 4¢ lb. IRC tax on copper content.	4¢ lb., plus 4¢ lb. IRC tax on copper content	2¢ lb., plus 2¢ lb.(1) IRC tax on copper content.	....	73
Nickel in pigs, ingots, etc.	389	1¢ lb.	$2\frac{1}{2}$¢ lb.	$1\frac{1}{4}$¢ lb.	24,458	38,301
Zinc-bearing ores	393	$1\frac{1}{2}$¢ lb. on zinc content	$\frac{3}{4}$¢ lb. on zinc content(2)	$\frac{3}{4}$¢ lb. on zinc content	....	2,890
Zinc, old and worn out	394	$1\frac{1}{2}$¢ lb. on zinc content	$\frac{3}{4}$¢ lb. on zinc content(2)	$\frac{3}{4}$¢ lb. on zinc content	12	85
Zinc, dross and skimmings	394	$1\frac{1}{2}$¢ lb. on zinc content	$\frac{3}{4}$¢ lb. on zinc content(2)	$\frac{3}{4}$¢ lb. on zinc content	2	184
Zinc, blocks, pigs, or slabs	394	$1\frac{3}{4}$¢ lb. on zinc content	$\frac{7}{8}$¢ lb. on zinc content(2)	$\frac{7}{8}$¢ lb. on zinc content	427	14,195
Iron and steel manufactures, not plated, n.s.p.f.	397	45%	45%	$22\frac{1}{2}$%	19	113
Metal articles, not plated with platinum, gold, etc., n.s.p.f.	397	45%	45%	$22\frac{1}{2}$%	9	87
Wood and manufactures of—						
Timber, round, for spars or wharves	401	$1.00 M. bd. ft.	50¢ M. bd. ft.	50¢ M. bd. ft.	....	308
Boards, fir and hemlock, rough	401	$1.00 M. bd. ft., plus $3.00 M. bd. ft. IRC tax.	50¢ M. bd. ft., plus $1.50 M. bd. ft. IRC tax.	25¢ M. bd. ft., plus 75¢ M. bd. ft. IRC tax.	2	114
Boards, fir and hemlock, dressed	401	$1.00 M. bd. ft., plus $3.00 M. bd. ft. IRC tax.	50¢ M. bd. ft., plus $1.50 M. bd. ft. IRC tax.	25¢ M. bd. ft., plus 75¢ M. bd. ft. IRC tax.	938	2,216
Boards, Douglas and other fir, rough	401	$1.00 M. bd. ft., plus $3.00 M. bd. ft. IRC tax.	50¢ M. bd. ft., plus $1.50 M. bd. ft. IRC tax.	25¢ M. bd. ft., plus 75¢ M. bd. ft. IRC tax.	46	565
Boards, Douglas fir and other fir, dressed	401	$1.00 M. bd. ft., plus $3.00 M. bd. ft. IRC tax.	50¢ M. bd. ft., plus $1.50 M. bd. ft. IRC tax.	25¢ M. bd. ft., plus 75¢ M. bd. ft. IRC tax.	1,532	1,703
Boards, Hemlock, rough	401	$1.00 M. bd. ft., plus $3.00 M. bd. ft. IRC tax.	50¢ M. bd. ft., plus $1.50 M. bd. ft. IRC tax.	25¢ M. bd. ft., plus 75¢ M. bd. ft. IRC tax.	4	241
Boards, Hemlock, dressed	401	$1.00 M. bd. ft., plus $3.00 M. bd. ft. IRC tax.	50¢ M. bd. ft., plus $1.50 M. bd. ft. IRC tax.	25¢ M. bd. ft., plus 75¢ M. bd. ft. IRC tax.	341	1,192
Boards, Spruce	401	$1.00 M. bd. ft., plus $3.00 M. bd. ft. IRC tax.	50¢ M. bd. ft., plus $1.50 M. bd. ft. IRC tax.	25¢ M. bd. ft., plus 75¢ M. bd. ft. IRC tax.	3,623	19,391
Boards, Spruce, Western White	401	$1.00 M. bd. ft.	50¢ M. bd. ft.	25¢ M. bd. ft.	2,989	7,943
Boards, Pine, Northern White, and Norway	401	$1.00 M. bd. ft.	50¢ M. bd. ft.	25¢ M. bd. ft.	2,736	3,249
Boards, Pine, other	401	$1.00 M. bd. ft., plus $3.00 M. bd. ft. IRC tax.	50¢ M. bd. ft., plus $1.50 M. bd. ft. IRC tax.	25¢ M. bd. ft., plus 75¢ M. bd. ft. IRC tax.	333	3,928

Boards, Larch	401	\$1.00 M. bd. ft., plus \$3.00 M. bd. ft. IRC tax.	50¢ M. bd. ft., plus \$1.50 M. bd. ft., IRC tax.	25¢ M. bd. ft., plus 75¢ M. bd. ft. IRC tax.	13	183
Plywood, red cedar	405	40%	40%	20%	....	1,153
Veneers of birch or maple	405	20%	10%	10%	21	445
Veneers of wood, other	405	20%	20%	10%	5	132
Blocks or sticks, bolts, hubs	406	10%	5%	5%	106	415
Barrels, casks (other than beer barrels)	407	15%	7½%	7½%	2	276
Bentwood furniture	412	42½%	42½%	30%	....	56
Wood furniture, n.s.p.f. (except chairs)	412	40%	25%	12½%	4	82
Paint-brush handles	412	33⅓%	20%	15%	61	197
Broom and mop handles	412	33⅓%	20%	15%	2	85
Manufactures of wood or bark, n.e.s.	412	33⅓%	33⅓%	25%	90	611
Canoes and canoe paddles	412	33⅓%	20%	15%	2	170
Vehicles, wood, other than horsedrawn (includes trailers, sleds, etc)	412	33⅓%	33⅓%	16⅔%	5	50
Sugar, molasses, and manufactures of—						
Molasses, not for extraction of sugar nor for human consumption	502	·03¢ lb. of total sugars	·03¢ lb. of total sugars	·03¢ lb. of total sugars	129	372
Maple sugar	503	6¢ lb.	3¢ lb.	2¢ lb.	1,524	1,298
Maple Syrup	503	4¢ lb.	2¢ lb.	1½¢ lb.	242	486
Agricultural products and provisions—						
Cattle: less than 200 lb.s each	701	2½¢ lb.	1½¢ lb. 2½¢ lb. on imports in excess of 100,000 head during any calendar year.(3)	1½¢ lb. 2½¢ lb. on imports in excess of 200,000 head entered in the 12 month period beginning April 1 in any year.(4)	1,287	104
Dairy cows: 700 lbs. or more each	701	3¢ lb.	1½¢ lb.	1¼¢ lb.	550	9,404
Cattle, n.s.p.f., 700 lbs. or more each	701	3¢ lb.	1½¢ lb.; 2½¢ lb. on imports in excess of 225,000 head during any calendar year, or 60,000 head during any quarter.(3)	1½¢ lb.; 2¼¢ lb. on imports in excess of 400,000 head entered in the 12 month period beginning April 1 in any year, or 120,000 head during any quarter.(4)	12,080	28
Beef; fresh, chilled or frozen	701	6¢ lb.	6¢ lb.	3¢ lb.	70	14

(1) Tax on copper suspended from April 30, 1947, for a period of two years.

(2) Agreement with Mexico provides that, effective 30 days after termination of unlimited national emergency proclaimed on May 27, 1941, rate shall be as follows:—blocks, pigs, etc. $1\frac{3}{5}$¢ per lb.; old and worn-out zinc, dross and skimmings, 1½¢ per lb.; zinc-hearing ores, $1\frac{1}{5}$¢ per lb.

(3) Quota suspended January 30, 1943.

(4) Provided that quota shall be effective 30 days after the President, after termination of unlimited national emergency, shall have proclaimed that the abnormal situation in respect of cattle and meats has terminated.

APPENDIX "A"

Imports into the United States from Canada of principal* dutiable items on which concessions were obtained under the General Agreement on Tariffs and Trade, calendar years 1939 and 1946, showing rates of duty—*Continued*

(* Statement includes only items valued at $50,000 or more in either year)

U.S. Statistical Description (abbr.)	Tariff Rates				Imports into U.S. from Canada	
	U.S. Tariff Item	Smoot-Hawley (i.e. 1930 rate)	1946 rate	Geneva agreement rate	1939	1946
					(thousands	of dollars)
Agricultural products and provisions—Con.						
Beef and mutton tallow (inedible)	701	$\frac{1}{4}$¢ lb., plus 3¢ lb. IRC tax.	$\frac{1}{4}$¢ lb., plus $1\frac{1}{2}$¢ lb. IRC tax.	$\frac{1}{4}$¢ lb., plus $1\frac{1}{2}$¢ lb. IRC tax.	9	71
Pork; fresh or chilled	703	$2\frac{1}{2}$¢ lb.	$1\frac{1}{4}$¢ lb.	$1\frac{1}{4}$¢ lb.	336	2
Pork; frozen	703	$2\frac{1}{2}$¢ lb.	$2\frac{1}{2}$¢ lb.	$1\frac{1}{4}$¢ lb.	83	....
Hams and bacon, not cooked	703	$3\frac{1}{4}$¢ lb.	2¢ lb.	2¢ lb.	179	5
Edible offal	706	6¢ lb., (min. 20%)	3¢ lb. (min. 15%)	$1\frac{1}{2}$¢ lb., (min. $7\frac{1}{2}$%)	97	1
Condensed milk, unsweetened	708a	1 8/10¢ lb.	1 8/10¢ lb.	1¢ lb.	....	57
Buttermilk, dried	708b	3¢ lb.	$1\frac{1}{2}$¢ lb.	$1\frac{1}{2}$¢ lb.	96	....
Cheddar cheese	710	7¢ lb. (min. 35%)	4¢ lb. (min. 25%)	$3\frac{1}{2}$¢ lb. (min. $17\frac{1}{2}$%)	899	2
Eggs in shell, chicken	713	10¢ doz.	5¢ doz.	$3\frac{1}{2}$¢ doz.	2	273
Horses, not over $150 per head	714	$30 each	$15 each	$10 each	591	476
Horses, over $150 per head	714	20%	$17\frac{1}{2}$%	15%	35	60
Foxes, silver or black	715	15%	15%	15%	69	25
Live animals, n.s.p.f.	715	15%	15%	$7\frac{1}{2}$%	21	78
Barley	722	20¢ bu.	15¢ bu.	$7\frac{1}{2}$¢ bu.	334	6,499
Barley malt	722	40¢ 100 lbs.	40¢ 100 lbs.	30¢ 100 lbs.	1,290	149
Oats, hulled or unhulled	726	16¢ bu.	8¢ bu.	4¢ bu.	1,485	2,441
Oats, unhulled, ground	726	45¢ 100 lbs.	25¢ 100 lbs.	25¢ 100 lbs.	19	1,445
Rye	728	15¢ bu.	12¢ bu.	6¢ bu.	—	2,488
Wheat	729	42¢ bu.	42¢ bu.	21¢ bu.	21	73
Wheat, unfit for human consumption	729	10%	5%	5%	35	68
Wheat flour	729	$1.04 per 100 lbs.	$1.04 per 100 lbs.	52¢ per 100 lbs.	55	34
Bran, shorts, middling, etc. (direct importation)	730	10%	5%	$2\frac{1}{2}$%	4,835	1,504
Bran, shorts, middling, etc. (withdrawn from bonded mills)	730	10%	5%	$2\frac{1}{2}$%	2,039	1,427
Beet pulp, dried	730	$5.00 ton	$3.75 ton	$1.90 ton	223	232
By-product feeds, other than wheat	730	10%	5%	$2\frac{1}{2}$%	74	86
Mixed feeds	730	10%	5%	5%	69	135
Grain hulls	730	10¢ 100 lbs.	5¢ 100 lbs.	$2\frac{1}{2}$¢ 100 lbs.	91	2,124
Dog food, canned and dried	720	10%	5%	5%	-	130
Screenings, scalpings, etc., other than flaxseed screenings	731	10%	5%	$2\frac{1}{2}$%	436	10,273

Flaxseed screenings	731	10%	5%	2½%	6	1,008
Cereal breakfast foods, n.s.p.f.	732	20%	10%	10%	62	66
Apples, green or ripe	734	25¢ bu.	15¢ bu.	12½¢ bu.	72	1,899
Blueberries, natural or in brine	736	1¼¢ lb.	1¢ lb.	1¢ lb.	82	2,884
Berries, edible, natural or in brine, other (except blueberries, strawberries or lingon berries)	736	1¼¢ lb.	¾¢ lb.	¾¢ lb.	1	92
Blueberries, frozen	736	35%	17½%	10%	241	461
Berries, edible, frozen, other	736	35%	17½%	14%	–	59
Cider	738	5¢ gal.	3¢ gal.	3¢ gal.	24	268
Grapes, other than hothouse	742	25¢ cu. ft.	12½¢ cu. ft. Feb. 15 to June 30; 17½% cu. ft., July 1 to Feb. 14.	6¼¢ cu. ft., Feb. 15 to June 30; 17½% cu. ft. July 1 to Feb. 14.	–	284
Alfalfa seed	763	8¢ lb.	4¢ lb.	2¢ lb.	422	454
Sweet clover seed	763	4¢ lb.	2¢ lb.	1¢ lb.	185	1,080
Fescue seed	763	2¢ lb.	2¢ lb.	1¢ lb.	3	100
Brome-grass seed	763	2¢ lb.	1¢ lb.	1¢ lb.	321	949
Wheat grass seed	763	2¢ lb.	1¢ lb.	1¢ lb.	96	64
Flower seed	764	6¢ lb.	3¢ lb.	3¢ lb.	–	126
Canned peas (10¢ or more per lb.)	769	2¢ lb.	1½¢ lb.	1¢ lb.	99	24
Potatoes, certified seed	771	75¢ 100 lbs.	37½¢ per 100 lbs.; 75¢ per 100 lbs. on imports in excess of 1,500,000 bu. per 12 month period beginning Sept. 15.	37½¢ per 100 lbs.; 75¢ per 100 lbs. on imports in excess of 2,500,000 bu. per 12 month period beginning Sept. 15.	1,293	3,095
Potatoes, other (table stock)	771	75¢ 100 lbs.	37½¢ per 100 lbs. Mar. 1 to Nov. 30; 60¢ per 100 lbs. Dec. 1 to last day of Feb.; 75¢ per 100 lbs. on imports in excess of 1,000,000 bu., plus quantity domestic crop falls below 350,000,000 bu., per 12 month period beginning Sept. 15.	37½¢ per 100 lbs.; 75¢ per 100 lbs. on imports in excess of 1,000,000 bu., plus quantity domestic crop falls below 350,000,000 bu., per 12 month period beginning Sept. 15.	223	182
Turnips and rutabagas	773	25¢ 100 lb.	12½¢ 100 lb.	6¼¢ 100 lb.	839	2,094
Vegetables, prepared, n.s.p.f.	775	35%	35%	17½%	29	53
Cocoa, unsweetened	777	3¢ lb.	1½¢ lb.	1¢ lb.	....	77
Hay	779	$5.00 ton	$2.50 ton	$1.25 ton	381	2,720
Straw	779	$1.50 ton	75¢ ton	50¢ ton	32	147
Mustard seed, whole	781	2¢ lb.	1¾¢ lb.	1¼ ¢lb.	....	223
Fish, fresh or frozen—						
Whitefish, fresh or frozen	717a	1¢ lb.	¾¢ lb.	½¢ lb.	1,389	3,527
Yellow pike	717a	1¢ lb.	¾¢ lb.	½¢ lb.	716	2,654
Jacks or grass pike	717a	1¢ lb.	¾¢ lb.	½¢ lb.	126	394
Lake trout	717a	1¢ lb.	¾¢ lb.	½¢ lb.	407	1,135
Yellow perch	717a	1¢ lb.	¾¢ lb.	½¢ lb.	147	573

APPENDIX "A"

Imports into the United States from Canada of principal* dutiable items on which concessions were obtained under the General Agreement on Tariffs and Trade calendar years 1939 and 1946, showing rates of duty—*Continued*

(* Statement includes only items valued at $50,000 or more in either year)

U.S. Statistical Description (abbr.)	Tariff Rates				Imports into U.S. from Canada	
	U.S. Tariff Item	Smoot-Hawley (i.e. 1930 rate)	1946 rate	Geneva agreement rate	1939	1946
					(thousands	of dollars)
Fish, fresh or frozen—Con.						
Tullibees	717a	1¢ lb.	¾¢ lb.	½¢ lb.	56	129
Lake herring and ciscoes	717a	1¢ lb.	¾¢ lb.	½¢ lb.	368	1,537
Chubs	717a	1¢ lb.	¾¢ lb.	½¢ lb.	123	22
Mullet	717a	1¢ lb.	¾¢ lb.	½¢ lb.	52	111
Saugers	717a	1¢ lb.	¾¢ bl.	½¢ lb.	459	923
Blue pike	717a	1¢ lb.	¾¢ lb.	½¢ lb.	271	273
Fresh water fish, n.e.s.	717a	1¢ lb.	1¢ lb.	½¢ lb.	51	262
Eels	717a	1¢ lb.	½¢ lb.	½¢ lb.	44	102
Salmon	717a	2¢ lb.	1¢ lb.	½¢ lb.	615	2,586
Cod, haddock, hake, pollock and cusk, without fins removed	717a	1¢ lb.	¾¢ lb.	½¢ lb.	56	425
Halibut	717a	2¢ lb.	1¢ lb.	½¢ lb.	586	1,026
Mackerel, frozen	717a	2¢ lb.	1½¢ lb.	¾¢ lb.	38	70
Swordfish, fresh	717a	2¢ lb.	1¢ lb.	1¢ lb.	215	882
Swordfish, frozen	717a	3¢ lb.	3¢ lb.	1½¢ lb.	4	109
Sturgeon, fresh	717a	1¢ lb.	½¢ lb.	½¢ lb.	56	297
Sturgeon, frozen	717a	1¢ lb.	1¢ lb.	½¢ lb.	151	168
Cod, haddock, hake, pollock, cusk and rose-fish, filleted, etc.	717b	2½¢ lb.	1⅞¢ lb.; 2½¢ lb. on imports in excess of 15 million pounds or 15% of U.S. consumption if higher.	1⅞¢ lb. 2½¢ lb. on imports in excess of 15 million pounds or 15% of average aggregate apparent annual consumption during the 3 preceding calendar years, or one-fourth of the total so entitled during the first 3 months, one-half during the first 6 months, or three-fourths during first 9 months.	710	7,788

Other fish, filleted, etc.	717b	2½¢ lb.	2½¢ lb.	2½¢ lb.	453	2,622
Fish, prepared or preserved—						
Sardines in oil, over 9¢ per lb.	718a	30%	30%	44%, if valued not over 13¢ lb.; 30%, if valued over 13¢ lb. but not over 18¢ lb.; 30%, if valued over 18¢ lb. but not over 23¢ lb.; 15%, if valued over 23¢ per lb.	1	172
Sardines and other herring, not in oil	718b	25%	12½%	12½%	—	975
Salmon, pickled	719	25%	12½%	10%	77	307
Cod, haddock, etc. pickled or salted, neither skinned nor boned, not over 43% moisture	719(2)	1¼¢ lb.	⅝¢ lb.	½¢ lb.	81	1,186
Cod, haddock, etc., pickled or salted, neither skinned nor boned, over 43% moisture	719(2)	¾¢ lb.	⅜¢ lb.	¼¢ lb.	925	1,296
Cod, haddock, etc., pickled or salted, skinned or boned	719(3)	2¢ lb.	1½¢ lb.	1¼¢ lb.	199	1,290
Herring, pickled or salted valued 6¢ or more per lb.	719(4)	1¢ lb.	½¢ lb.	½¢ lb.	2	550
Herring, pickled or salted beheaded but not further advanced	719(4)	1¢ lb.	½¢ lb.	½¢ lb.	19	460
Split herring, pickled or salted	719(4)	1¢ lb.	½¢ lb.	½¢ lb.	33	375
Mackerel in containers, weighing more than 15 lbs. each	719(4)	1¢ lb.	1¢ lb.	½¢ lb.	171	460
Alewives in containers weighing more than 15 lbs. each	719(5)	1¼¢ lb.	⅝¢ lb.	½¢ lb.	—	73
Herring, hard dry smoked	720a(2)	1¼¢ lb.	⅝¢ lb.	½¢ lb.	12	376
Herring, boned, smoked or kippered	720a(3)	3¢ lb.	1½¢ lb.	1¼¢ lb.	53	377
Herring, eviscerated (not boned), smoked or kippered	720a(3)	3¢ lb.	2¢ lb.	1¼¢ lb.	35	318
Cod, haddock, etc. smoked or kippered, whole, or beheaded or eviscerated	720a(4)	2½¢ lb.	1½¢ lb.	1¢ lb.	48	66
Cod, haddock, etc. smoked or kippered, skinned or boned	720a(5)	3¢ lb.	2¢ lb.	1½¢ lb.	211	1,067
Fish prepared or preserved n.s.p.f. in containers weighing more than 15 lbs. each	720b	1¼¢ lb.	1¼¢ lb.	1¢ lb.	6	111
Spirits, wines and other beverages—						
Gin, 1 gal. containers or less	802	$5.00 pf. gal.	$2.50 pf. gal.	$1.25 pf. gal.	....	238
Whisky in containers of 1 gal. or less	802	$5.00 pf. gal.	$2.50 pf. gal.	$1.50 pf. gal.	6,571	21,411
Whisky, in containers of more than 1 gal. each	802	$5.00 pf. gal.	$2.50 pf. gal.	$1.50 pf. gal.	681	1,641
Beer, in containers of 1 gal. or less	805	50¢ gal.	25¢ gal.	25¢ gal. (provision for 12½¢ gal.)	67	2,520

APPENDIX "A"

mports into the United States from Canada of principal* dutiable items on which concessions were obtained under the General Agreement on Tariffs and Trade, calendar years 1939 and 1946, showing rates of duty—*Continued*

(* Statement includes only items valued at $50,000 or more in either year)

U.S. Statistical Description (abbr.)	Tariff Rates: U.S. Tariff Item	Tariff Rates: Smoot-Hawley (i.e. 1930 rate)	Tariff Rates: 1946 rate	Tariff Rates: Geneva agreement rate	Imports into U.S. from Canada: 1939	Imports into U.S. from Canada: 1946
					(thousands	of dollars)
Textiles—						
Printers' rubberized blanketing of cotton	923	40%	30%	20%	....	51
Flax tow	1001	1¢ lb.	½¢ lb.	½¢ lb.	2	437
Flax yarn single not finer than 60 lea	1004a	35%	25%	25%	....	134
Flax thread, twine and cord	1004c	40%	30%	30%	....	55
Clothing wool finer than 44s but not finer than 56s in the grease	1102b	34¢ lb.	34¢ lb.	25½¢ lb.	59	
Clothing wool finer than 56s, in the grease	1102b	34¢ lb.	34¢ lb.	25½¢ lb.	51	
Combing wool finer than 44s, in the grease	1102b	34¢ lb.	34¢ lb.	25½¢ lb.	161	
Combing wool finer than 56s, in the grease	1102b	34¢ lb.	34¢ lb.	25½¢ lb.	98	
Wool noils not carbonized	1105a	23¢ lb.	16¢ lb.	12¢ lb.	61	524
Top, slubbing, roving and ring waste	1105a	37¢ lb.	34¢ lb.	28¢ lb.	....	80
Thread or yarn waste	1105a	25¢ lb.	15¢ lb.	11½¢ lb.	103	386
Wool rags	1105a	18¢ lb.	9¢ lb.	9¢ lb.	290	631
Wool hose and half hose, valued over $3.00 doz. prs.	1114b	50¢ lb. plus 50%	50¢ lb. plus 25%	37½¢ lb. plus 20%	2	277
Wool wearing apparel, not knit valued not over $4.00 per lb.	1115a	33¢ lb. plus 45%	33¢ lb. plus 30%	25¢ lb. plus 25%	1	65
Wool wearing apparel, not knit valued more than $4.00 lb.	1115a	50¢ lb. plus 50%	50¢ lb. plus 30%	37½¢ lb. plus 25%	2	60
Silver, tops and rovings of rayon	1302	10¢ lb. plus 30%	10¢ lb. plus 30%	5¢ lb. plus 15%	—	51
Papers and Books—						
Book and printing paper	1401	¼¢ lb. plus 10%	1/5¢ lb. plus 5%	1/5¢ lb. plus 5%	496	6,479
Pulpboard in rolls for wallboard, not processed	1402	10%	5%	5%	187	483
Leatherboard, counterboard	1402	10%	10%	10%	71	205
Boxes of paper with coated surface	1405	5¢ lb. plus 20%	5¢ lb. plus 10%	5¢ lb. plus 5%	39	61
Lithographic prints not exceeding 12/1000 inch in thickness	1406	30¢ lb.	30¢ lb.	30¢ lb.	5	267
Hanging paper, not printed	1409	10%	7½%	7½%	—	59
Hanging paper, printed	1409	1½¢ lb. plus 20%	1¢ lb. plus 10%	1¢ lb. plus 10%	4	194

Bound books of all kinds, of foreign authorship, n.e.s. (ex leather)	1410	15%	$7\frac{1}{2}$%	5%	17	108
Printed matter, n.s.p.f., not of foreign ownership	1410	25%	20%	15%	23	70
Pulpboard in rolls, for wallpaper processed	1413	30%	15%	10%	160	997
Ribbon fly catchers	1413	35%	$27\frac{1}{2}$%	$27\frac{1}{2}$%	—	60
Sundries—						
Ice skates and parts	1502	20%	15%	15%	368	325
Silver or black fox, whole skins	1519c	50%	$37\frac{1}{2}$%	$37\frac{1}{2}$%	1,467	2,047
Nets and nettings of cotton not in part of rubber	1529a	90%	45%	30%	—	66
Kip skins, wet salted	1530a	10%	5%	5%	225	13
Calf skins, wet salted	1530a	10%	5%	5%	298	—
Sole and belting leather offal	1530b (1)	$12\frac{1}{2}$%	10%	10%	98	15
Cattle side upper grains	1530b (4)	15%	$12\frac{1}{2}$%	$12\frac{1}{2}$%	35	382
Patent leather	1530b (4)	15%	$7\frac{1}{2}$%	$7\frac{1}{2}$%	497	321
Calf and kip leather, upper	1530b (4)	15%	$12\frac{1}{2}$%	$12\frac{1}{2}$%	244	774
Goat and kid leather, upper	1530c	10%	10%	10%	—	57
Boots and shoes, men's welt	1530e	20%	50¢ pr. min. 10% max. 20%	40¢ pr. min. 5% max. 20%	—	55
Boots and shoes, women's welt	1530a	20%	50¢ pr., min. 10%, max. 20%.	50¢ pr., min. 10%, max. 20%.	....	55
Slippers	1530a	20%	10%	10%	6	1,723
Mocassins	1530a	20%	10%	10%	11	54
Manufactures of leather, n.e.s.	1531	35%	25%	$17\frac{1}{2}$%	....	82
Gloves of horsehide or cowhide	1532(b)	25%	15%	15%	....	188
Fishing reels $3.50 or over	1535	55%	30%	$1.50 each, min. 15%, max. 55%.	....	109
Automobile tires and tubes	1537(b)	10%	10%	10%	33	112
Peat moss	1548	50¢ ton	50¢ ton	50¢ ton	147	1,484
Raw motion picture film, 1" or more in width	1551	4/10¢ lin. ft.	2/10¢ lin. ft.	1/10¢ lin. ft.	1,018	20
Textile waste, n.e.s.	1555	10%	$7\frac{1}{2}$%	$7\frac{1}{2}$%	6	60
Fur waste—pieces or trimmings	1555	10%	$7\frac{1}{2}$%	$7\frac{1}{2}$%	12	143
Fur waste, other	1555	10%	$7\frac{1}{2}$%	$7\frac{1}{2}$%	164	382
Christmas trees	1558	10%	5%	5%	537	1,839
Synthetic rubber and mfrs., not in part of carbon	1558	20%	20%	10%	....	3,040

SUMMARY OF PRINCIPAL DUTIABLE ITEMS

	1939	1946
	(000,000	omitted)
Total of items listed in table	$ 99·2	277·4
Total dutiable imports into United States from Canada	111·4	292·7
Percent of total represented by above items	87%	94·8%

Imports into the United States from Canada of certain items free of customs duty but subject to Internal Revenue Import Tax on which concessions were obtained under the General Agreement on Tariffs and Trade, calendar years 1939 and 1946

U.S. Statistical Description (abbr.)	U.S. Tariff Item	Tariff Rates: Smoot-Hawley (i.e. 1930 rate)	Tariff Rates: 1946 rate	Tariff Rates: Geneva agreement rate	Imports into U.S. from Canada: 1939	Imports into U.S. from Canada: 1946
					(thousands	of dollars)
Copper concentrates	1658	Free, plus 4¢ lb. IRC tax on copper content.	Free, plus 4¢ lb. IRC tax on copper content.	Free, plus 2¢ lb. IRC tax on copper content (1)	14	2,473
Copper, unrefined, in pigs or bars	1658	Free, plus 4¢ lb. IRC tax on copper content.	Free, plus 4¢ lb. IRC tax on copper content.	Free, plus 2¢ lb. IRC tax on copper content (1)	157	–
Copper, refined, in ingots, plates or bars	1658	Free, plus 4¢ lb. IRC tax on copper content.	Free, plus 4¢ lb. IRC tax on copper content.	Free, plus 2¢ lb. IRC tax on copper content (1)	73	4,338
Copper, old and scrap	1658	Free, plus 4¢ lb. IRC tax on copper content.	Free, plus 4¢ lb. IRC tax on copper content.	Free, plus 2¢ lb. IRC tax on copper content (1)	–	114
Gasoline, under 100 octane, and other motor fuel	1733	Free, plus 2½¢ gal. IRC tax.	Free, plus 2½¢ gal. IRC tax.	Free, plus 1¼¢ gal. IRC tax.	–	137
Unfinished oils for further processing	1733	Free, plus ½¢ gal. IRC tax.	Free, plus ¼¢ gal. IRC tax.	Free, plus ¼¢ gal. IRC tax.	2	155
Lubricating oils, including paraffin oil	1733	Free, plus 4¢ gal. IRC tax.	Free, plus 4¢ gal. IRC tax.	Free, plus 2¢ gal. IRC tax.	–	674
Boards, cedar siding	1803 (1)	Free, plus $3.00 M.bd.ft. IRC tax.	Free, plus $1.50 M.bd.ft. IRC tax.	Free, plus 75¢ M.bd.ft. IRC tax.	2,023	2,341
Boards, other cedar	1803 (1)	Free, plus $3.00 M.bd.ft. IRC tax.	Free, plus $1.50 M.bd.ft. IRC tax.	Free, plus 75¢ M.bd.ft. IRC tax.	292	4,967
Boards, maple, birch and beech	1803 (1)	Free, plus $3.00 M.bd.ft. IRC tax.	Free, plus $1.50 M.bd.ft. IRC tax.	Free, plus $1.50 M.bd.ft. IRC tax.	2,290	10,403
Boards, hardwoods other	1803 (1)	Free, plus $3.00 M.bd.ft. IRC tax.	Free, plus $1.50 M.bd.ft. IRC tax.	Free, plus $1.50 M.bd.ft. IRC tax.	143	3,679

(1) Tax on copper suspended from April 30, 1947, for a period of two years.